

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS**

In Re:)	
)	IN CHAPTER 7 PROCEEDINGS
CHEMETCO, INC.,)	BK 01-34066
)	
Debtor.)	

ORDER APPROVING SETTLEMENT

Pending before the Court is the Application to Approve Settlement (Doc. 1694), Objection of Interco Trading Company (“Interco”)(Doc. 1701) and Objection of Olin Corporation (“Olin”)(Doc. 1702). The Court conducted a hearing at which the Trustee and Counsel for Trustee, the U.S. Department of Justice (on behalf of the USEPA), the Illinois Attorney General’s office, Paradigm Minerals and Environmental Services, LLC (“PMES”), Commerce Bank, Olin and Interco all appeared. Subject to certain clarifications to the Settlement Agreement dated July 30, 2012, set forth below, Olin and Interco withdraw their Objections and recommend that the Settlement be approved.

1. New Section 5.2(d) is amended to state that Escrowed Funds “shall” be used to remediate any environmental problem or condition existing on the site prior to the filing of Chemetco’s bankruptcy proceeding.

2. New Section 4.4(a) is amended to clarify that Commerce Bank will not receive any more than its secured claim under that paragraph and that any amounts otherwise payable to Commerce Bank under this paragraph in excess of its secured claims shall be paid to the Estate of Chemetco.

3. New Section 11.1(a) and (b) are amended to state that Buyer shall have the option to exercise its rights to take title to the Smelter Site and the NPR property for three years from

the date the Total Purchase Price is paid or two years from the date that the Escrowed Funds are depleted, whichever occurs later.

4. To correct a mathematical error, the chart specifying the distributions of revenues from past sales is revised as follows:

Sale	Gross Revenue \$\$	Direct Cost of Sales \$\$	Allocated Estate Operating Costs	Allocated Paradigm Operating Costs (3)	Net for Distribution	Distribution to be Paid
Mixed Fines/Scrubber Sludge Notice 12/1/10	1,475,807.75	526,100.25	250,000	250,000	449,707.25	P: 112,426.87 C: 157,397.63 E: 157,397.63 EF:22,485.37
Furnace Cleanup Notice 4/15/11	447,091.19	36,170.55	100,000	100,000	210,920.64	P: \$52,730.16 C: \$73,822.22 E: \$73,822.22 EF:10,546.03

IT IS THEREFORE ORDERED that the Settlement Agreement filed August 23, 2012 (Doc. 1694-1), as clarified by this Order, is hereby approved.

Counsel for the moving party shall serve a copy of this Order by mail to all interested parties who were not served electronically.

ENTERED: October 11, 2012

/s/ William V. Altenberger

UNITED STATES BANKRUPTCY JUDGE-2

Agreed to:

DONALD M. SAMSON, TRUSTEE

/s/ William Niehoff

By: William Niehoff, Attorney for Trustee

PARADIGM MINERAL and ENVIRONMENTAL SERVICES

/s/ Dan Nester
By: Bryan Cave LLP, its attorney

COMMERCE BANK

/s/ Dan Nester
By: Bryan Cave LLP, its attorney

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

/s/ James Morgan
By: James Morgan

U.S. DEPT. OF JUSTICE (On behalf of the USEPA)

/s/ Gregory Sukys
By: Gregory Sukys

INTERCO TRADING CO.

/s/ Robert Brownlee
By: Robert Brownlee, Thompson Coburn LLP

OLIN CORPORATION

/s/ Gary Vincent
By: Gary Vincent, Husch Blackwell LLP